

**D.T.E. 03-47**  
**Attachment AG-1-27 (A)**



Advanced Energy Systems, Inc.  
Consolidated Statement of Income  
Year ended December 31, 2002  
(Dollars in thousands)

Operating revenues:	
Electricity	\$ 27,449
Steam	21,132
Chilled water	23,817
Other	1,061
	<u>73,459</u>
Operating expenses:	
Fuel used in production	23,907
Electricity purchased for resale	3,906
Operations & maintenance	20,768
Depreciation	4,004
Amortization	2,093
Property taxes	4,104
	<u>58,782</u>
Operating income	14,677
Interest income	264
Interest expense:	
Interest expense, net of interest capitalized of \$725	7,451
Debt discount amortization expense	567
	<u>8,018</u>
Income before provision for income taxes	6,923
Provision for income taxes	2,447
Net income	<u>\$ 4,476</u>

BEC Funding LLC  
Income Statements  
December 2002

	Year to Date 2002 Actual
Total Other Revenues	\$ 462,005
Gross Margin	462,005
Operating Expenses	
O & M	462,005
Taxes:	
Payroll and Other	658
Total Operating Expenses	462,663
Operating Loss	(658)
Other Income	37,859,132
Operating Loss and Other Income	37,858,474
Interest Charges:	
Interest on long-term debt	37,826,341
Total Interest Charges	37,826,341
Net Income	\$ 32,134

Boston Energy Technology Group, Inc  
Income Statement  
December 2002

	Year to Date 2002 Actual
Operating Revenues	0
Gross Margin	0
Operating Expenses	
O&M Expense	2,092
Taxes:	
Income Taxes	(1,056,729)
Payroll and Other	0
Depreciation and amortization	0
DSM and renewable energy expense	0
Total Operating Expenses	(1,054,637)
Operating Income	1,054,637
Other Income/(Deductions)	(17,633,119)
Operating and Other Income	(16,578,482)
Interest Charges:	
Interest on long-term debt	0
Interest on short-term debt and other interest	43,198
AFUDC - Debt	0
Total Interest Charges	43,198
Net (Loss) Income	(16,621,680)
(Loss) Income Available for Common	(\$16,621,680)

**Boston Edison Company**

**Consolidated Statements of Income**  
(in thousands)

Year ended December 31,

	<u>2002</u>
Operating revenues	<u>\$1,672,148</u>
Operating expenses:	
Purchased power	838,435
Operations and maintenance	228,666
Depreciation and amortization	170,932
Demand side management and renewable energy programs	48,579
Taxes-property and other	70,077
Income taxes	<u>90,487</u>
Total operating expenses	<u>1,447,176</u>
Operating income	224,972
Other income, net:	
Other income, net	4,008
Other deductions, net	<u>(736)</u>
Total other income, net	<u>3,272</u>
Interest charges:	
Long-term debt	47,867
Transition property securitization	37,135
Short-term and other	10,769
Allowance for borrowed funds used during construction	<u>(1,630)</u>
Total interest charges	<u>94,141</u>
Net income	<u><u>\$ 134,103</u></u>

Cambridge Electric Light Company

Statements of Income

Year Ended December 31,

2002  
(Dollars in thousands)

Operating revenues	<u>\$ 151,919</u>
Operating expenses:	
Purchased power and fuel	111,416
Operations and maintenance	10,572
Demand side management programs	5,474
Depreciation and amortization	6,678
Taxes -	
Income	4,544
Local property	1,485
Payroll and other	389
Total operating expenses	<u>140,558</u>
Operating income	11,361
Other income, net	<u>658</u>
Income before interest charges	<u>12,019</u>
Interest charges:	
Long-term debt	2,052
Other	2,322
Allowance for borrowed funds used during construction (AFUDC)	<u>(54)</u>
Total interest charges	<u>4,320</u>
Net Income	<u>\$ 7,699</u>

Commonwealth Electric Company

Statements of Income

Year Ended December 31,

	<u>2002</u>
Operating revenues	<u>\$ 478,208</u>
Operating expenses:	
Purchased power	289,044
Operations and maintenance	81,148
Demand side management programs	12,401
Depreciation and amortization	30,328
Taxes -	
Income	17,436
Local property	6,154
Payroll and other	<u>2,580</u>
Total operating expenses	<u>439,091</u>
Operating income	39,117
Other (deductions) income, net	<u>(133)</u>
Income before interest charges	<u>38,984</u>
Interest charges (income):	
Long-term debt	9,160
Other	5,282
Allowance for borrowed funds used during construction (AFUDC)	<u>(741)</u>
Total interest charges	<u>13,701</u>
Net income	<u>\$ 25,283</u>



Canal Electric Company  
Income Statement  
December 2002

	Year to Date 2002 Actual
<b>Operating Revenue</b>	
Wholesale Revenues	986,082
Other Revenues	3,375,931
<b>Total Operating Revenues</b>	<b>4,362,013</b>
<b>Fuel and purchase power</b>	
<b>Gross Margin</b>	<b>4,362,013</b>
<b>Operating Expenses</b>	
O&M Expense	9,730,841
Taxes:	
Income Taxes	(4,087,250)
Payroll and Other	577,165
Depreciation and amortization	2,128,221
<b>Total Operating Expenses</b>	<b>8,348,977</b>
<b>Operating Income</b>	<b>(3,986,964)</b>
<b>Other Income/(Deductions)</b>	<b>8,578,584</b>
<b>Operating and Other Income</b>	<b>4,591,620</b>
<b>Interest Charges:</b>	
Interest on long-term debt	0
Interest on short-term debt and other inter	905
AFUDC - Debt	(36,113)
<b>Total Interest Charges</b>	<b>(35,208)</b>
<b>Net Income</b>	<b>4,626,828</b>
<b>Income Available for Common</b>	<b>\$4,626,828</b>

Energy Investment Services  
Income Statement  
December 2002

	Year to Date 2002 Actual
<b>Total Operating Revenues</b>	<u>\$0</u>
Fuel and purchase power	<u>0</u>
<b>Gross Margin</b>	<u>0</u>
<b>Operating Expenses</b>	
Taxes:	
Income Taxes	<u>0</u>
Payroll and Other	<u>0</u>
<b>Total Operating Expenses</b>	<u>0</u>
<b>Operating Income</b>	<u>0</u>
<b>Other Income/(Deductions)</b>	<u>308,837</u>
<b>Operating and Other Income</b>	<u>308,837</u>
<b>Interest Charges:</b>	
Interest on short-term debt and other interest	<u>308,837</u>
<b>Total Interest Charges</b>	<u>308,837</u>
<b>Net Income</b>	<u>0</u>
<b>Income Available for Common</b>	<u>\$0</u>

HARBOR ELECTRIC ENERGY COMPANY

STATEMENTS OF INCOME

Year ended December 31,  
2002

Operating revenues	\$5,028,005
Operating expenses:	
Operation and maintenance expense	517,439
Depreciation	1,803,141
Provision for income taxes:	
Current	657,068
Deferred	<u>(331,017)</u>
Total operating expenses	<u>2,646,631</u>
Operating income	2,381,374
Non-operating (expense) income, net	(7,140)
Interest income	59,371
Interest charges:	
Long-term debt	1,849,475
Trustee fees	6,600
Amortization of debt issuance costs	79,687
Other	<u>-</u>
Total interest charges	<u>1,935,762</u>
Net income	<u>\$ 497,843</u>

Hopkinton LNG Corp.  
Income Statements  
YTD December 2002

	Year to Date 2002 Actual
<b>Total Operating Revenues</b>	<b>\$ 9,586,552</b>
<b>Gross Margin</b>	<b>9,586,552</b>
<b>Operating Expenses</b>	
O & M (includes payroll taxes and other)	6,537,119
Taxes:	
Income	95,219
Property	632,367
Depreciation and amortization	1,570,747
<b>Total Operating Expenses</b>	<b>8,835,452</b>
<b>Operating Income</b>	<b>751,100</b>
<b>Other Income</b>	<b>(506)</b>
<b>Operating and Other Income</b>	<b>750,594</b>
<b>Interest Charges:</b>	
Interest on long-term debt	-
Interest on short-term debt and other charges	153,594
<b>Total Interest Charges</b>	<b>153,594</b>
<b>Net Income</b>	<b>\$ 597,000</b>

Medical Area Total Energy Plant, Inc.  
Consolidated Statements of Income  
Year ended December 31,

	<u>2002</u>
Operating revenues:	
Electricity	\$ 27,449
Steam	20,919
Chilled water	23,817
Other	705
	<u>72,890</u>
Operating expenses:	
Fuel used in production	23,907
Electricity purchased for resale	3,906
Operations & maintenance	20,686
Depreciation	4,004
Amortization	2,093
Property taxes	4,104
	<u>58,700</u>
Operating income	14,190
Interest income	243
Interest expense:	
Interest expense, net of interest capitalized of \$725 and \$0	7,397
Debt discount amortization expense	567
	<u>7,964</u>
Income before provision for income taxes	6,469
Provision for income taxes	2,283
Net income	<u>\$ 4,186</u>

Northwind Boston, LLC  
Income Statements  
YTD December 2002

	Year to Date 2002 Actual
Total Operating Revenues	\$ 1,282,033
Electric, Water & Sewer Utility Costs	950,889
Gross Margin	331,145
Operating Expenses	
O&M (including payroll taxes and other)	1,549,430
NSTAR Electric & Gas Corp. service charges	20,003
Taxes:	
Property Taxes	144,000
Depreciation and amortization	-
Total Operating Expenses	1,713,433
Operating Loss	(1,382,288)
Other Income (Deductions)	(2,000,063)
Operating Loss and Other Income (Deductions)	(3,382,351)
Interest Charges:	
Interest on short term debt and other	-
Total Interest Charges	-
Net Loss	\$ (3,382,351)

NSTAR Communications Securities Corporation  
Income Statement  
December 2002

	Year to Date 2002 Actual
Total Operating Revenues	0
Operating Expenses	
O & M Expense	0
Taxes:	
Income Taxes	407
Payroll and Other	0
Depreciation and amortization	0
DSM and renewable energy expense	0
Total Operating Expenses	407
Operating Loss	(407)
Other Income & Deductions:	
Deferred Tax (expense)/benefit	4,285,249
Operating Loss and Other Income	4,284,842
Net Income (Loss)	\$4,284,842

**NSTAR**  
**Consolidated Statement of Income**

2002

Operating revenues	<u>\$2,719,067</u>
Operating expenses:	
Purchased power and cost of gas sold	1,437,194
Operations and maintenance	431,740
Depreciation and amortization	239,233
Demand side management and renewable energy programs	68,986
Property and other taxes	97,204
Income taxes	<u>107,113</u>
Total operating expenses	<u>2,381,470</u>
Operating income	<u>337,597</u>
Other income (deductions):	
Write-down of RCN investment, net	(17,677)
Other income, net	22,364
Other deductions, net	<u>(1,994)</u>
Total other income (deductions), net	<u>2,693</u>
Interest charges:	
Long-term debt	115,473
Transition property securitization	37,135
Short-term and other	26,890
Allowance for borrowed funds used during construction (AFUDC)	<u>(2,875)</u>
Total interest charges	<u>176,623</u>
Net income	163,667
Preferred stock dividends of subsidiary	<u>1,960</u>
Earnings (loss) available for common shareholders	\$ 161,707
	=====
Weighted average common shares outstanding:	
Basic	53,033
Diluted	53,297
Earnings (loss) per common share:	
Basic	\$ 3.05
Diluted	\$ 3.03



**NSTAR Electric & Gas Corporation**  
**Income Statement**  
**December 2002**

	Year to Date 2002 Actual
Other Revenues	\$246,553,463
<b>Total Operating Revenues</b>	<b><u>246,553,463</u></b>
 Fuel and purchase power	 380,730
<b>Gross Margin</b>	<b><u>246,172,733</u></b>
 <b>Operating Expenses</b>	
O&M Expense	236,465,855
Taxes:	
Income Taxes	110,725
Payroll and Other	9,499,073
DSM and renewable energy expense	109,143
<b>Total Operating Expenses</b>	<b><u>246,184,796</u></b>
 <b>Operating Income</b>	 <b>(12,063)</b>
 <b>Other Income/(Deductions)</b>	 <b>78,531</b>
 <b>Operating and Other Income</b>	 <b>66,468</b>
 <b>Interest Charges:</b>	
Interest on long-term debt	0
Interest on short-term debt and other interest	66,468
AFUDC - Debt	0
<b>Total Interest Charges</b>	<b><u>66,468</u></b>
 <b>Net Income</b>	 <b><u>0</u></b>
 <b>Income Available for Common</b>	 <b><u>\$0</u></b>

NSTAR Communications, Inc.  
Consolidated Income Statement  
YTD December 2002

	Year to Date 2002 Actual
Operating Revenues:	
Dark Fiber	\$ 6,759,823
Joint Venture	6,499,186
Other Income	-
Total Operating Revenues	<u>13,259,009</u>
Less Cost of sales (pass-thru costs)	4,765,514
Gross Margin	<u>8,493,495</u>
Expenses:	
O&M (includes payroll taxes and other)	6,061,696
Property Taxes	970,500
Depreciation and amortization	3,568,199
Total Expenses	<u>10,600,395</u>
Operations pre-tax income	(2,106,900)
Less Tax Expense:	
Mass Tangible Property Taxes	75,000
Income Tax (benefit) expense on operating income	(966,503)
Interest expense	67,288
Other Income (expense), net of tax	<u>1,136</u>
(Loss)/Income from operations	(1,281,548)
Tax benefits	23,516,043
Write-down of RCN investment , net	<u>(37,342,961)</u>
Net (Loss) Income	<u>\$ (15,108,466)</u>

NSTAR Gas Company  
Statement of Income  
Year Ended December 31,

(DOLLARS IN THOUSANDS)

2002

Operating revenues	<u>\$331,898</u>
Operating expenses:	
Cost of gas sold	185,997
Operations and maintenance	81,928
Depreciation and amortization	17,643
Taxes -	
Income	11,189
Local property	5,886
Payroll and other	2,907
Total operating expenses	<u>305,550</u>
Operating income	26,348
Other income, net	<u>330</u>
Income before interest charges	<u>26,678</u>
Interest charges:	
Long-term debt	7,324
Other interest charges	2,593
Allowance for borrowed funds used during construction (AFUDC)	<u>(389)</u>
Total interest charges	<u>9,528</u>
Net income	<u>\$ 17,150</u>

NSTAR Steam Corporation  
Income Statements  
YTD December 2002

	Year to Date 2002 Actual
<b>Total Operating Revenues</b>	<b>\$ 20,433,232</b>
Fuel and purchased power	10,494,145
<b>Gross Margin</b>	<b>9,939,086</b>
<b>Operating Expenses</b>	
O & M (includes payroll taxes and other)	4,204,979
NSTAR Electric & Gas Corp. service charges	405,828
Taxes:	
Income	1,963,795
Property	44,232
Depreciation and amortization	321,430
<b>Total Operating Expenses</b>	<b>6,940,266</b>
<b>Operating Income</b>	<b>2,998,821</b>
<b>Other Income</b>	<b>82,890</b>
<b>Operating and Other Income</b>	<b>3,081,710</b>
<b>Interest Charges:</b>	
Interest on long-term debt	-
Interest on short-term debt and other charges	22,184
<b>Total Interest Charges</b>	<b>22,184</b>
<b>Net Income</b>	<b>\$ 3,059,526</b>

Advanced Energy Systems, Inc.  
Consolidated Statement of Cash Flow  
For the Year ended December 31, 2002  
(Dollars in thousands)

Operating activities:	
Net income	\$ 4,476
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	6,097
Deferred tax expense	3,779
Amortization of debt discount	567
Capitalized interest	(725)
Changes in assets and liabilities:	
Accounts receivable	(254)
Prepaid expenses	(256)
Property tax payable	4
Accounts payable and other	3,234
Restricted cash	<u>13,892</u>
Net cash provided by operating activities	<u>30,814</u>
Investing activities:	
Additions to property, plant and equipment	<u>(31,716)</u>
Financing activities:	
Notes payable - affiliate	<u>1,275</u>
Net increase in cash and cash equivalents	373
Cash and cash equivalents at beginning of the year	<u>2,809</u>
Cash and cash equivalents at end of the year	<u>\$ 3,182</u>
Supplemental disclosures of cash flow information:	
Cash paid (refunded) during the year for:	
Interest	<u>\$ 7,790</u>
Income taxes	<u>\$ (855)</u>

**Boston Edison Company**

**Consolidated Statements of Cash Flows**  
(in thousands)

Years ended December 31,

	<u>2002</u>
Operating activities:	
Net income	\$ 134,103
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	170,932
Deferred income taxes and investment tax credits	16,125
Allowance for borrowed funds used during construction	(1,630)
Net changes in:	
Accounts receivable and accrued unbilled revenues	94,565
Fuel, materials and supplies, at average cost	2,170
Accounts payable	3,865
Other current assets and liabilities	(16,503)
Deferred debits and credits	26,897
Net cash provided by operating activities	<u>430,524</u>
Investing activities:	
Plant expenditures (excluding AFUDC)	(239,032)
Investments	2,019
Net cash used in investing activities	<u>(237,013)</u>
Financing activities:	
Capital contribution	-
Long-term debt	500,000
Financing costs	(5,218)
Redemptions:	
Preferred stock	-
Long-term debt	(130,020)
Net change in notes payable	(191,500)
Repurchase of Common shares	(250,000)
Dividends paid	(86,260)
Net cash used in financing activities	<u>(162,998)</u>
Net increase (decrease) in cash and cash equivalents	30,513
Cash and cash equivalents at the beginning of the year	13,549
Cash and cash equivalents at the end of the year	<u>\$ 44,062</u>
Supplemental disclosures of cash flow information:	
Interest, net of amounts capitalized	\$ 81,158
Income taxes (refunded) paid	\$ 46,483

Cambridge Electric Light Company

Statements of Cash Flows

Years Ended December 31,

2002

(Dollars in thousands)

Operating Activities:

Net income	\$ 7,699
Effects of non-cash items -	
Depreciation and amortization	6,678
Deferred income taxes and	
investment tax credits	3,006
Net equity earnings	625
Allowance for borrowed funds used during	
construction	(54)
Changes in working capital -	
Accounts receivable and unbilled revenues	4,374
Other current assets	(1,337)
Accounts payable	6,661
Other current liabilities	2,044
Transition cost deferral	(9,725)
All other operating items	<u>(6,056)</u>

Net cash provided by operating activities 13,915

Investing Activities:

Additions to property, plant and equipment	
(exclusive of AFUDC)	(10,646)
Investments	<u>791</u>

Net cash used in investing activities (9,855)

Financing Activities:

(Payments to) advances from affiliates	(275)
Proceeds from short-term borrowing	2,000
Retirement of long-term debt through sinking	
funds	(2,100)
Payment of dividends	<u>(3,750)</u>

Net cash (used in) provided by financing activities (4,125)

Net (decrease) increase in cash equivalents (65)

Cash and cash equivalent at beginning of period 1,115

Cash and cash equivalent at end of period \$ 1,050

Supplemental Disclosures of Cash Flow Information:

Cash paid during the period for:

    Interest (net of capitalized amounts) \$ 2,260

    Income taxes \$ 3,370

Commonwealth Electric Company

Statements of Cash Flows

Years Ended December 31,

	<u>2002</u>
Dollars in thousands)	
Operating Activities:	
Net income	\$ 25,283
Effects of noncash items -	
Depreciation and amortization	30,328
Deferred income taxes and investment tax credits	(6,220)
Allowance for borrowed funds used during construction	(741)
Changes in working capital -	
Accounts receivable and unbilled revenues	13,587
Materials and supplies	(1,271)
Accounts payable	4,439
Other current assets and liabilities	(23,462)
Power contract buyout	(12,741)
All other operating items, net	24,425
Net cash provided by operating activities	<u>53,627</u>
Investing Activities:	
Additions to property, plant and equipment (exclusive of AFUDC)	(57,270)
Investments	<u>1,198</u>
Net cash used in investing activities	<u>(56,072)</u>
Financing Activities:	
Advances from (payments to) affiliates	25,905
Payment of dividends	-
Changes in short-term borrowings	8,953
Payment of long-term debt	(30,000)
Retirement of long-term debt through sinking funds	<u>(3,481)</u>
Net cash provided by (used in) financing activities	<u>1,377</u>
Net (decrease) increase in cash	(1,068)
Cash at beginning of period	3,378
Cash at end of period	<u>\$ 2,310</u>
Supplemental Disclosures of Cash Flow Information:	
Cash paid during the period for:	
Interest (net of amount capitalized)	<u>\$ 11,727</u>
Income taxes	<u>\$ 25,900</u>



HARBOR ELECTRIC ENERGY COMPANY

STATEMENTS OF CASH FLOWS

Year ended December 31,

	<u>2002</u>
Cash flows from operating activities:	
Net income	\$ 497,843
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	1,803,141
Deferred income taxes, net	(331,017)
Amortization of debt issuance expenses	79,687
Net changes in:	
Accounts receivable, net	27,415
Affiliated companies	(11,171)
Interest receivable	3,281
Prepaid expenses	113,714
Interest Payable, net	65,326
Federal income taxes payable	20,932
Accrued expenses	(155,884)
Due to affiliates	(43,259)
Deferred revenue	<u>(30,944)</u>
Net cash provided by operating activities	<u>2,039,064</u>
Cash flows from financing activities:	
Dividends paid	(1,100,000)
Payment of sewage facility revenue bonds	<u>(1,648,535)</u>
Net cash used by financing activities	<u>(2,748,535)</u>
Net decrease in cash and cash equivalents	(709,471)
Cash and cash equivalents at beginning of year	<u>1,227,999</u>
Cash and cash equivalents at end of year	<u>\$ 518,528</u>
Supplemental disclosures of cash flow information:	
Cash paid during the period for:	
Interest on sewage facility revenue bonds	\$1,863,675
Income taxes	\$ 581,802

Medical Area Total Energy Plant, Inc.  
Consolidated Statements of Cash Flows  
For the Years ended December 31,

	<u>2002</u>
(Dollars in thousands)	
Operating activities:	
Net income	\$ 4,186
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	6,097
Deferred tax expense	3,549
Amortization of debt discount	567
Capitalized interest	(725)
Changes in assets and liabilities:	
Accounts receivable	(235)
Prepaid expenses	(437)
Property tax payable	4
Accounts payable and other	7,296
Restricted cash	<u>13,892</u>
Net cash provided by operating activities	<u>34,194</u>
Investing activities:	
Additions to property, plant and equipment	<u>(31,430)</u>
Financing activities:	
Payments to affiliated companies, net	<u>-</u>
Net increase (decrease) in cash and cash equivalents	2,764
Cash and cash equivalents at beginning of the year	<u>277</u>
Cash and cash equivalents at end of the year	<u>\$ 3,041</u>
Supplemental disclosures of cash flow information:	
Cash paid (refunded) during the year for:	
Interest	<u>\$ 7,790</u>
Income taxes	<u>\$ (855)</u>

**NSTAR COMMUNICATIONS, INC. CONSOLIDATED  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED  
DECEMBER 31, 2002**

**NSTAR Communications, Inc.  
December 31, 2002**

	<b>Actual</b>
<b>OPERATING ACTIVITIES</b>	
Net (loss) income	\$ (15,108,466)
Effects of noncash items	
Depreciation and amortization	3,568,199
RCN write-down	37,342,789
Net change in working capital and other, net	(7,277,343)
Net cash provided by operating activities	<u>18,525,179</u>
<b>INVESTING ACTIVITIES</b>	
Plant expenditure (exclusive of Capitalized Interest)	(2,975,418)
Net cash used for investing activities	<u>(2,975,418)</u>
<b>FINANCING ACTIVITIES</b>	
Dividend	(15,400,000)
Proceeds from short-term borrowing	-
Net cash used for financing activities	<u>(15,400,000)</u>
Net increase (decrease) in cash	149,761
Cash at beginning of period	647,184
Cash at end of period	<u><u>\$ 796,945</u></u>

**NSTAR**  
**Consolidated Statements of Cash Flows**

Years ended December 31,  
(in thousands)

	<u>2002</u>
Operating activities:	
Net income	\$ 163,667
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	239,800
Deferred income taxes and investment tax credits	(13,311)
Loss on RCN investment	37,343
Demutualization income	-
Allowance for borrowed funds used during construction	(2,875)
Power contract buyout	(12,741)
Net changes in:	
Accounts receivable and accrued unbilled revenues	166,425
Fuel, materials and supplies, at average cost	9,554
Other current assets	17,422
Accounts payable	33,859
Other current liabilities	(105,582)
Deferred debits and credits	68,165
Change in other miscellaneous operating activities	(15,399)
Net cash provided by operating activities	<u>586,327</u>
Investing activities:	
Plant expenditures (excluding AFUDC)	(368,084)
Proceeds from sale of nuclear asset	26,866
Other investments	9,445
Net cash used in investing activities	<u>(331,773)</u>
Financing activities:	
Redemptions:	
Preferred stock	-
Long-term debt	(166,917)
Financing costs	(5,218)
Issuances/(repurchases):	
Common shares	-
Long-term debt	500,000
Net change in notes payable	(426,247)
Dividends paid	(114,389)
Net cash used in financing activities	<u>(212,771)</u>
Net increase (decrease) in cash and cash equivalents	41,783
Cash and cash equivalents at the beginning of the year	11,655
Cash and cash equivalents at the end of the year	<u>\$ 53,438</u>
	=====
Supplemental disclosures of cash flow information:	
Cash paid during the year for:	
Interest, net of amounts capitalized	\$ 155,265
Income taxes (refund)	\$ 95,980
Supplemental disclosure of investing activity:	
Investment in common shares	-

NSTAR Gas Company

Statements of Cash Flows

Years Ended December 31,

(Dollars in thousands)

2002

Operating Activities:

Net income	\$ 17,150
Effects of non-cash items -	
Depreciation and amortization	17,643
Deferred income taxes	(1,738)
Amortization of investment tax credits	(190)
Allowance for borrowed funds used during construction	(389)
Changes in working capital -	
Accounts receivable and unbilled revenues	(12,693)
Prepaid expenses and other	(4,997)
Accounts payable and other	(884)
All other operating items	<u>7,704</u>

Net cash provided by operating activities	<u>21,606</u>
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Investing Activities:

Additions to property, plant and equipment (exclusive of AFUDC)	<u>(35,017)</u>
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Financing Activities:

Payment of dividends	(12,000)
Proceeds from short-term borrowings	6,300
Advances from (payments to) affiliates	19,925
Retirement of long-term debt	-
Retirement of long-term debt through sinking funds	<u>(1,429)</u>

Net cash provided by (used in) financing activities	<u>12,796</u>
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Net (decrease) increase in cash	(615)
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Cash at beginning of period	<u>2,518</u>
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Cash at end of period	<u>\$ 1,903</u>
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Supplemental Disclosures of Cash Flow Information:

Cash paid during the period for:

Interest (net of amounts capitalized)	<u>\$ 7,806</u>
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Income taxes	<u>\$ 8,318</u>
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Advanced Energy Systems, Inc.  
Consolidated Balance Sheet  
December 31, 2002  
(Dollars in thousands)

**Assets**

Current assets:

Cash and cash equivalents	\$ 3,182
Restricted cash	10,583
Accounts receivable:	
Affiliated companies	837
Trade	8,087
Prepaid expenses	1,085
Fuel inventory, at average cost	473
Total current assets	<u>24,247</u>

Property, plant and equipment	67,174
Less - accumulated depreciation	<u>(16,086)</u>
Net property, plant and equipment	51,088
Construction work in progress	30,038
Deferred tax assets	57,295
Power sales agreements	21,800
Other assets	92
Total assets	<u>\$ 184,560</u>

**Liabilities & Shareholder Investment**

Current liabilities:

Long-term debt due within one year	\$ 1,594
Notes payable - affiliate	2,575
Accounts payable:	
Affiliated companies	292
Trade	4,517
Property tax payable	4,104
Provision for customer refund	2,524
Accrued interest and other	8,161
Total current liabilities	<u>23,767</u>

Long-term debt	102,729
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Commitments and contingencies (Note 7)

Shareholder investment:

Additional paid-in capital	49,978
Retained earnings	<u>8,086</u>

Total shareholder investment	<u>58,064</u>
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Total liabilities & shareholder investment	<u>\$ 184,560</u>
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## BEC Funding LLC Balance Sheets

	<u>December 2002</u>
<b><u>Assets</u></b>	
Current Assets	
Cash and equivalents	\$ 3,625,000
A/R from Assoc. Cos.	41,755,340
Prepaid and Other Current Assets	(2,687)
Total Current Assets	<u>45,377,652</u>
Notes Receivable - Assoc. Co.	445,404,336
Discount on Notes Receivable	(2,202,074)
Total Notes Receivable- Assoc. Co.	<u>443,202,262</u>
Total Assets	<u><u>\$ 488,579,915</u></u>
<b><u>Capitalization and Liabilities</u></b>	
Total Common Equity	\$ 3,617,963
Long-Term Debt	445,890,163
Discount on Long-Term Debt	(2,201,329)
Total Long-Term Debt	<u>443,688,834</u>
Current Liabilities	
LTD Due 1 Year	68,014,173
Other Liabilities, net of Amounts Held with Trustee	(26,741,056)
Total Current Liabilities	<u>41,273,117</u>
Total Capitalization and Liabilities	<u><u>\$ 488,579,915</u></u>

**Boston Energy Technology Group, Inc.**

**Balance Sheets**

	<u>December 2002</u>
<u><b>Assets</b></u>	
<b>Investments in Subsidiaries</b>	\$ 37,069,877
Current Assets	
Cash and equivalents	852,094
A/R from Assoc. Cos.	<u>2,572,355</u>
Total Current Assets	3,424,449
Deferred tax asset	<u>3,396,201</u>
<b>Total Assets</b>	<u><b>\$ 43,890,527</b></u>
<u><b>Capitalization and Liabilities</b></u>	
Common Stock Equity	\$ 42,771,173
Current Liabilities	
Accounts Payable - Assoc. Co.	1,769
Other Current Liabilities	<u>1,564,101</u>
Total Current Liabilities	1,565,870
Deferred Credits	<u>(446,516)</u>
<b>Total Capitalization and Liabilities</b>	<u><b>\$ 43,890,527</b></u>



**Boston Edison Company**  
**Consolidated Balance Sheets**  
(in thousands)

Assets	2002	
Utility plant in service, at original cost	\$2,782,854	
Less: accumulated depreciation	<u>854,857</u>	\$1,927,997
Construction work in progress		<u>41,944</u>
Net utility plant		1,969,941
Equity and other investments		11,592
Current assets:		
Cash and cash equivalents	44,062	
Restricted cash	3,616	
Accounts receivable - customers, net of allowance of \$19,084 and \$24,691 in 2002 and 2001, respectively	177,681	
Accrued unbilled revenues	21,468	
Fuel, materials and supplies, at average cost	13,291	
Deferred tax asset	18,141	
Other	<u>5,575</u>	283,834
Deferred debits:		
Regulatory assets		1,265,062
Prepaid pension costs		-
Other		<u>178,429</u>
Total assets		<u>\$3,708,858</u>
Capitalization and Liabilities		
Common equity:		
Common stock, par value \$1 per share, 100,000,000 shares authorized; 75 shares issued and outstanding	\$ -	
Premium on common stock	278,795	
Retained earnings	<u>475,993</u>	\$ 754,788
Cumulative non-mandatory redeemable preferred stock of subsidiary		43,000
Long-term debt		840,194
Transition property securitization		445,890
Current liabilities:		
Long-term debt	150,687	
Transition property securitization	40,555	
Notes payable	-	
Accounts payable:		
Affiliates	32,450	
Other	117,600	
Accrued interest	13,899	
Other	<u>46,971</u>	402,162
Deferred credits		
Accumulated deferred income taxes and unamortized investment tax credits		611,469
Power contracts		350,117
Other		261,238
Commitments and contingencies		
Total capitalization and liabilities		<u>\$3,708,858</u>

Cambridge Electric Light Company

Balance Sheets

December 31,

<u>Assets</u>	<u>2002</u>
(Dollars in thousands)	
Property, plant and equipment, at original cost	\$ 156,383
Less - Accumulated depreciation	<u>54,473</u>
	101,910
Add - Construction work in progress	<u>3,878</u>
	<u>105,788</u>
Equity and other investments	<u>6,328</u>
Goodwill	<u>50,898</u>
Long-term receivable - affiliate	<u>18,009</u>
Current assets	
Cash	1,050
Accounts receivable -	
Affiliated companies	6,004
Customers, net of allowances of	
\$672 and \$931, respectively	11,368
Unbilled revenues	1,912
Inventories, at average cost	324
Prepaid property taxes and other	<u>2,205</u>
Total current assets	<u>22,863</u>
Deferred charges	
Regulatory assets - power contracts	62,847
Regulatory assets - pension costs	10,911
Regulatory assets - other	31,811
Other	<u>8,836</u>
	<u>114,405</u>
	<u>\$ 318,291</u>

Cambridge Electric Light Company

Balance Sheets

December 31,

<u>Capitalization and Liabilities</u>	<u>2002</u>
(Dollars in thousands)	
Common equity -	
Common stock, \$25 par value	
Authorized and outstanding -	
346,600 shares, wholly-owned by NSTAR	\$ 8,665
Amounts paid in excess of par value	90,601
Retained earnings	<u>11,385</u>
	110,651
Long-term debt	<u>25,000</u>
	<u>135,651</u>
Current liabilities	
Interim financing -	
Notes payable to banks	18,200
Advances from affiliates	<u>10,470</u>
	<u>28,670</u>
Other current liabilities -	
Current maturities	-
Accounts payable -	
Affiliated companies	-
Other	17,452
Deferred income taxes	2,654
Accrued interest	745
Other	<u>13,245</u>
	<u>34,096</u>
Total current liabilities	<u>62,766</u>
Deferred credits	
Power contracts	85,164
Accumulated deferred income taxes	20,684
Unamortized investment tax credits and other	<u>14,026</u>
	<u>119,874</u>
Commitments and contingencies	
	<u>\$ 318,291</u>

# Canal Electric Company

## Balance Sheets

	December 2002
<b><u>Assets</u></b>	
Capital Lease - Hydro Quebec	\$ 8,791,755
Net Nuclear Fuel Investments	- 1,814,096
Current Assets	
Cash and Equivalents	31,222
Accounts Receivable	84,146
A/R from Assoc. Cos., net	80,115,749
Materials and Supplies	-
Prepaid and Other Current Assets	102,415
Total Current Assets	80,333,532
Other Deferred Debits	-
Regulatory Assets	-
<b>Total Assets</b>	<b>\$ 90,939,383</b>
<b><u>Capitalization and Liabilities</u></b>	
Common Stock Equity	\$ 69,072,378
Capital Lease Obligation - non current	8,225,035
Current Liabilities	
Accounts Payable	64,154
Other Current Liabilities	8,444,939
Current Liabilities	8,509,093
Deferred Credits	5,132,877
<b>Total Capitalization and Liabilities</b>	<b>\$ 90,939,383</b>

Commonwealth Electric Company

Balance Sheets

December 31,

(Dollars in thousands)

<u>Assets</u>	<u>2002</u>
Property, plant and equipment, at original cost	\$ 667,850
Less - Accumulated depreciation	<u>237,743</u>
	430,107
Add - Construction work in progress	<u>13,490</u>
	<u>443,597</u>
Goodwill	<u>213,876</u>
Equity and other investments	<u>51</u>
Current Assets	
Cash	2,310
Accounts receivable, net of allowances of \$1,899 and \$1,844, respectively	43,820
Unbilled revenues	7,303
Inventories, at average cost	6,288
Prepaid income taxes	7,306
Other	<u>1,484</u>
Total current assets	<u>68,511</u>
Deferred Charges	
Regulatory assets - power contracts	338,641
Regulatory assets - pension costs	73,897
Regulatory assets - other	122,360
Other	<u>41,789</u>
	<u>576,687</u>
	<u>\$1,302,722</u>

Commonwealth Electric Company

Balance Sheets

December 31,

<u>Capitalization and Liabilities</u>	<u>2002</u>
(Dollars in thousands)	
Common Equity -	
Common stock, \$25 par value -	
Authorized and outstanding -	
2,043,972 shares, wholly-owned by NSTAR	\$ 51,099
Amounts paid in excess of par value	365,548
Retained earnings	78,380
	<u>495,027</u>
Long-term debt, less current sinking fund	
requirements and current maturities	86,188
	<u>581,215</u>
Current Liabilities	
Interim Financing -	
Notes payable to banks	61,500
Advances from affiliates	35,130
	<u>96,630</u>
Other Current Liabilities -	
Current maturities and sinking fund requirements	18,481
Accounts payable -	
Affiliates	17,064
Other	27,020
Deferred income taxes	36,603
Accrued interest	3,667
Other	10,192
	<u>113,027</u>
Total current liabilities	<u>209,657</u>
Deferred Credits	
Power contracts	338,641
Accumulated deferred income taxes	78,676
Unamortized investment tax credits	4,598
Other	89,935
	<u>511,850</u>
Commitments and Contingencies	
	<u>\$1,302,722</u>

**Energy Investment Services, Inc.**  
**Balance Sheet**

	<u>December 2002</u>
<u>Current Assets</u>	
Cash and equivalents	\$ 19,723,791
Prepaid and Other Current Asset	<u>20,782</u>
Total Current Assets	<u>19,744,573</u>
 <b>Total Assets</b>	 <b><u>\$ 19,744,573</u></b>
 Common Stock Equity	 \$ 17,027,089
<u>Current Liabilities</u>	
Accounts Payable	974
Accounts Payable - Assoc. Co., net	2,294,362
Other Current Liabilities	<u>422,455</u>
Total Current Liabilities	<u>2,717,791</u>
 Accum. Def Income Tax	 <u>(307)</u>
<b>Total Capitalization and Liabilities</b>	<b><u>\$ 19,744,573</u></b>

# HARBOR ELECTRIC ENERGY COMPANY

## BALANCE SHEETS

	December 31, 2002
<u>ASSETS</u>	
Property, plant and equipment, at cost	\$ 41,014,733
Less: accumulated depreciation	<u>(18,700,860)</u>
Net property, plant and equipment	22,313,873
Current assets:	
Cash and cash equivalents	518,528
Account receivable, less allowances of \$14,212 in 2002 and \$5,047 in 2001	410,963
Interest receivable	3,561
Affiliated companies	11,171
Prepaid expenses	<u>72,724</u>
Total current assets	1,016,947
Unamortized debt issuance expenses (net of accumulated amortization of \$802,086 and \$881,773, respectively)	553,971
Funds held by trustee	3,655,618
Deferred income taxes, net	<u>1,323,563</u>
Total assets	<u>\$ 28,863,972</u>
<u>CAPITALIZATION AND LIABILITIES</u>	
Common stock - \$1.00 par value, 200,000 shares authorized; 1,000 shares issued and outstanding	\$ 1,000
Paid-in capital	2,100,000
Retained earnings	<u>2,181,062</u>
Total common stock equity	4,282,062
Sewage facility revenue bonds	22,850,000
Current liabilities:	
Sewerage facility revenue bonds due in one year, less funds held by trustee of \$962,500 and \$933,333, respectively)	687,500
Federal income taxes	76,894
Accrued interest, net of funds held by trustee of \$156,220 and \$235,754 respectively	69,638
Due to affiliates	-
Deferred revenue	820,762
Other accrued expenses	<u>77,116</u>
Total current liabilities	1,731,910
Total capitalization and liabilities	<u>\$28,863,972</u>



**Hopkinton LNG Corp**

**Balance Sheets**

	<b>December 2002</b>
<b>Non-Utility Plant, net</b>	<b>\$ 10,459,645</b>
<b>Current Assets</b>	
Cash and equivalents	7,442
A/R from Assoc. Cos., net	1,195,912
Prepaid and Other Current Asset	<u>(74,566)</u>
Total Current Assets	1,128,788
Deferred Debits	<u>12,392</u>
<b>Total Assets</b>	<b><u>\$ 11,600,825</u></b>
<b>Common Stock Equity</b>	<b>\$ 5,609,382</b>
<b>Current Liabilities</b>	
Notes Payable - Assoc. Co.	3,800,000
Accounts Payable	143,120
Other Current Liabilities	<u>(114,096)</u>
Total Current Liabilities	3,829,024
<b>Deferred Credits</b>	<u>2,162,419</u>
<b>Total Capitalization and Liabilities</b>	<b><u>\$ 11,600,825</u></b>

Medical Area Total Energy Plant, Inc.  
Consolidated Balance Sheets  
December 31,

<b>Assets</b>	<u>2002</u>
Current assets:	
Cash and cash equivalents	\$ 3,041
Restricted cash	10,583
Accounts receivable:	
Affiliated companies	4,123
Trade	8,087
Prepaid expenses	1,028
Fuel inventory, at average cost	473
Total current assets	<u>27,335</u>
Property, plant and equipment	67,174
Less - accumulated depreciation	<u>(16,086)</u>
Net property, plant and equipment	51,088
Construction work in progress	30,038
Noncurrent assets:	
Deferred tax assets	57,062
Power sale agreements	21,800
Total assets	<u>\$ 187,323</u>
 <b>Liabilities &amp; Shareholder Investment</b>	
Current liabilities:	
Long-term debt due within 1 year	\$ 1,594
Accounts payable:	
Affiliated companies	6,272
Trade	4,115
Property tax payable	4,104
Provision for customer refund	2,524
Accrued interest and other	7,397
Total current liabilities	<u>26,006</u>
Long-term debt	102,729
Commitments and contingencies	
Shareholder investment:	
Additional paid-in capital	51,540
Retained earnings	<u>7,048</u>
Total shareholder investment	<u>58,588</u>
Total liabilities & shareholder investment	<u>\$ 187,323</u>

# Northwind Boston, LLC

## Consolidated Balance Sheets

	December 2002
<b><u>Assets</u></b>	
Assets available for sale	\$ -
Current Assets	
Cash and equivalents	798,493
Accounts Receivable	9,127
Prepaid and other	-
Total Current Assets	<u>807,620</u>
Deferred debits	-
Total Assets	<u>\$ 807,620</u>
<b><u>Capitalization and Liabilities</u></b>	
Common Equity	\$ (14,549,382)
Paid in Capital	-
Current Liabilities	
Accounts Payable	-
Intercompany Accounts Payable, net	65,002
Other Current Liabilities	<u>1,750,000</u>
Total Current Liabilities	<u>1,815,002</u>
Deferred Credits	<u>13,542,000</u>
Total Capitalization and Liabilities	<u>\$ 807,620</u>

**NSTAR Communications, Inc.  
Consolidated Balance Sheets**

	<b>December 2002</b>
Cash	\$ 796,945
Accounts receivable trade	3,441,444
Inventory	2,437,923
Total Current Assets	<u>6,676,312</u>
Property, plant and equipment	37,855,793
Construction work in process	240,207
Accumulated depreciation	(6,907,395)
Total Fixed Assets	<u>31,188,605</u>
Investment in RCN common stock	6,146,512
Investment in RCN joint venture	-
Total Assets	<u><u>\$ 44,011,429</u></u>
Accrued expenses	\$ 1,123,905
Accrued income taxes	(2,660,031)
Payable to affiliates	12,468,960
Total Current Liabilities	<u>10,932,834</u>
Accumulated deferred income taxes	(5,744,732)
Other	350,279
Paid in capital	261,232,647
Accumulated deficit	(222,759,599)
Other comprehensive loss	-
Total Stockholder's Equity	<u>38,473,048</u>
Total Liabilities & Stockholder's Equity	<u><u>\$ 44,011,429</u></u>

**NSTAR**  
**Consolidated Balance Sheets**

			2002
<u>Assets</u>			
Utility plant in service, at original cost	\$4,090,843		
Less: accumulated depreciation	<u>1,309,270</u>		\$2,781,573
Construction work in progress			<u>66,047</u>
Net utility plant			2,847,620
Non-utility property, net			129,918
Goodwill			451,374
Equity investments			19,845
Other investments			32,391
Current assets:			
Cash and cash equivalents	53,438		
Restricted cash	33,899		
Accounts receivable, net of allowance of \$24,379 and \$29,763, respectively		298,428	
Accrued unbilled revenues		47,420	
Inventory, at average cost		58,555	
Other		<u>14,886</u>	506,626
Deferred debits:			
Regulatory assets - other			875,038
Regulatory assets - power contracts			701,084
Regulatory assets - pension costs			425,755
Prepaid pension costs			-
Other			<u>133,624</u>
Total assets			<u>\$6,123,275</u> =====
<u>Capitalization and Liabilities</u>			
Common equity:			
Common shares, par value \$1 per share, 100,000,000 shares authorized; 53,032,546 shares issued and outstanding	\$ 53,033		
Premium on common shares	870,877		
Retained earnings	382,886		
Accumulated other comprehensive (loss) income	<u>(7,491)</u>		\$1,299,305
Cumulative non-mandatory redeemable preferred stock of subsidiary			43,000
Long-term debt			1,645,465
Transition property securitization			445,890
Current liabilities:			
Long-term debt	172,191		
Transition property securitization	40,555		
Notes payable	198,600		
Property taxes and other	9,826		
Deferred income taxes	4,692		
Accounts payable	230,939		
Accrued interest	38,811		
Dividends payable	28,964		
Accrued expenses	94,418		
Other	<u>67,141</u>		886,137
Deferred credits:			
Accumulated deferred income taxes and unamortized investment tax credits			675,881
Power contracts			773,922
Pension liability			177,675
Other			176,000
Commitments and contingencies			
Total capitalization and liabilities			<u>\$6,123,275</u> =====

# NSTAR ELECTRIC AND GAS CORPORATION

## Balance Sheets

	<u>December 2002</u>
<b><u>Assets</u></b>	
Net Plant	\$ 74,818
Other Investments	7,977,703
Current Assets	
Cash and equivalents	(17,288,046)
Accounts Receivable	(2,555)
A/R from Assoc. Cos., net	43,103,356
Prepaid and Other Current Asset	<u>4,553,077</u>
Total Current Assets	30,365,832
Deferred Debits	<u>42,448,727</u>
<b>Total Assets</b>	<b>\$ <u>80,867,080</u></b>
<b><u>Capitalization and Liabilities</u></b>	
Common Stock Equity	\$ (4,112,883)
Current Liabilities	
Accounts Payable	17,163,286
Other Current Liabilities	<u>17,401,812</u>
Total Current Liabilities	34,565,098
Deferred Credits	<u>50,414,865</u>
<b>Total Capitalization and Liabilities</b>	<b>\$ <u>80,867,080</u></b>

**NSTAR Communications Securities Corporation**  
**Balance Sheet**

	<u>December 2002</u>
<b>Assets</b>	
Current assets:	
Cash and equivalents	\$ 106,834
Total current assets	<u>106,834</u>
Investments - RCN	<u>6,146,512</u>
<b>Total assets</b>	<u><u>6,253,346</u></u>
<b>Capitalization and Liabilities</b>	
Premium on common stock	93,251,111
Retained earnings	(47,777,223)
Total common equity	<u>45,473,888</u>
Comprehensive Income	0
Current liabilities:	
Intercompany accounts payable	85
Other current liabilities	1,932
Total current liabilities	<u>2,017</u>
Deferred taxes	<u>(39,222,559)</u>
<b>Total capitalization and liabilities</b>	<u><u>\$ 6,253,346</u></u>

# **NSTAR Steam Corporation** **Balance Sheets**

	December 2002
<b><u>Assets</u></b>	
Property, Plant & Equipment - net	\$ 2,259,307
Investments	-
Current Assets	
Cash and equivalents	70,106
Accounts Receivable	3,685,090
Money Pool A/R	1,200,000
Prepaid and Other Current Assets	201,081
Total Current Assets	<u>5,156,277</u>
Deferred Debits	<u>22,810</u>
Total Assets	<u>\$ 7,438,394</u>
<b><u>Capitalization and Liabilities</u></b>	
Total Common Equity	\$ 11,249,751
Paid in Capital	(6,000,000)
Current Liabilities	
Accounts Payable	721,035
Accounts Payable - Assoc. Co., net	1,247,086
Other Current Liabilities	217,805
Total Current Liabilities	<u>2,185,926</u>
Deferred Credits	<u>2,717</u>
Total Capitalization and Liabilities	<u>\$ 7,438,394</u>



NSTAR Gas Company

Balance Sheets

December 31,

2002

(Dollars in thousands)

Assets

Property, plant and equipment, at original cost	\$ 487,457
Less - Accumulated depreciation	<u>166,885</u>
	320,572
Add - Construction work in progress	<u>4,440</u>
	<u>325,012</u>
Goodwill	<u>186,600</u>
Current Assets	
Cash	1,903
Accounts receivable -	
Affiliated companies	-
Customers, net of allowances of	50,260
\$2,408 and \$2,232, respectively	
Unbilled revenues	12,251
Inventories, at average cost -	
Natural gas	34,116
Materials and supplies	1,619
Deferred tax asset	16,354
Prepaid expenses and other	<u>4,494</u>
Total current assets	<u>120,997</u>
Deferred Charges	
Regulatory assets - pension costs	78,331
Regulatory assets - other	18,246
Other	<u>30,101</u>
	<u>126,678</u>
	<u>\$ 759,287</u>

NSTAR Gas Company

Balance Sheets

December 31,

2002

(Dollars in thousands)

Capitalization and Liabilities

Common Equity -

Common stock, \$25 par value -

Authorized and outstanding -

2,857,000 shares, wholly owned by NSTAR

\$ 71,425

Amounts paid in excess of par value

247,910

Retained earnings

45,697

365,032

Long-term debt, less current sinking fund  
requirements

90,714

455,746

Current Liabilities

Interim Financing -

Notes payable to banks

55,400

Advances from affiliates

31,885

87,285

Other Current Liabilities -

Current sinking fund requirements

1,429

Accounts payable -

Affiliated companies

6,764

Other

28,015

Accrued local property and other taxes

7,418

Customer deposits

1,478

Accrued interest

2,062

Other

14,076

61,242

Total current liabilities

148,527

Deferred Credits

Accumulated deferred income taxes

52,803

Unamortized investment tax credits

4,488

Other

97,723

155,014

Commitments and Contingencies

\$ 759,287

